

Chapter 6

BEFORE YOU SIGN A CONTRACT... READ THIS

When you go to live in a nursing home, you and the home must first sign a Nursing Home Admissions Contract. This document is legally binding, and you cannot ignore what the contract says you will do. The contract states your rights and obligations as a resident of the nursing facility, and lists how much money you must pay each day or month to live there.

WHAT TO ☒ CHECK FOR

✓ How much will I pay?

Maryland law requires that nursing home contracts list the services included, the basic monthly fee and all items that cost extra. For Medical Assistance residents, this monthly fee will include almost all services a resident needs. For residents who do not receive Medical Assistance benefits, there are extra charges for many services such as laundry or barber. The nursing home must disclose those charges to you. The institution may increase its charges, but only after it gives you 45 days' written notice.

✓ What if I run out of money?

The contract must state the facility's policy if a private pay resident's personal funds are exhausted during the resident's stay at the nursing home. The



institution must also say whether it is a Medical Assistance certified provider. If so, then it *must* accept Medical Assistance payments when a resident's own funds run out.

✓ Can I Be Forced to Pay Privately?

A nursing home contract cannot require you to pay privately for a certain period of time before you *apply* for Medical Assistance.

✓ How will I file a complaint as a resident in the home?

The contract must also state the procedure to follow when filing a complaint against the nursing home. (For more information on filing complaints, see Chapter 8.)

✓ Can the home discharge me against my wishes?

The contract must describe the facility's transfer and discharge policies, and how those policy decisions can be appealed (see chapter 7).



Maryland law requires that nursing home contracts list the services included, the basic monthly fee and all items that cost extra.

✓ Can my family member or a friend be required to sign the nursing home's contract?

The nursing home may not require someone other than you to sign the contract unless:

- ♦ a court judges you to be incompetent and appoints a guardian; or,
- ♦ your doctor certifies that you are incapable of understanding or exercising your rights and responsibilities outlined in the contract.

If a financial agent is managing your funds the nursing home may require that person to agree to use your

resources to pay the charges for the nursing home services (see box on page 33 for more information).

If anyone other than you signs the contract, that person is agreeing to accept some type of responsibility. Your family or friends should not sign a nursing home contract without understanding fully the legal and financial significance of signing it.

✓ Can my family be required to pay?

It is illegal for a nursing home to require someone else to pay your

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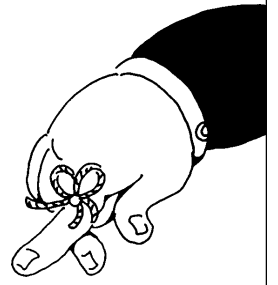
1 Obtain a copy of the contract and review it ahead of time in the privacy of your own home. If the facility will not give you a copy, ask why not. If you still want to consider entering that facility, you can obtain a copy of its contract from the Office of Health Care Quality, Spring Grove Hospital Center, Bland Bryant Building, 55 Wade Avenue, Catonsville, MD 21228, (410) 402-8000.

2 You may also want to get a copy of the State's model nursing home admission contract, written in plain English, to see how it compares. Call the Department of Health and Mental Hygiene, (410) 764-2770.

3 See a lawyer or get advice from any of the agencies listed in this booklet.

4 Ask the nursing facility about any part of the contract you find confusing or unfair. If you make changes in the contract, be sure that both you and the institution sign your initials in the margin next to the change. (If the nursing home is uncooperative, you may want to take an advocate with you to negotiate the changes.)

5 Make sure there are no blank spaces and that the contract is fully completed and correct at the time you sign it. You should get an exact copy (or photocopy) of the original contract after it has been filled in and signed by both you and the nursing home.



nursing home bill unless that person agrees to do so. Unless friends or family members *voluntarily* agree to be personally liable, the contract should state that they are liable only to the extent of *your* funds.

If family members or friends feel pressured by the nursing facility to sign the contract, they may be able to protect themselves from personal liability for your bill by printing the words “Agent for (*resident's name*)” under their signature and by striking out references to “responsible party” or “guarantor” and inserting “agent.” However, it would be best for them not

to sign the contract until everyone understands that they are not guarantors of funds. Once that is agreed, it should be easy to add language to the contract or signature line to make that understanding clear to anyone who might review the contract in the future.

If you have a financial agent, that person must pay the nursing home using *your* resources. The agent does not accept personal responsibility for your debts, but does accept responsibility to use your resources to pay your debts. See “What is a Financial Agent?” below.

WHAT IS A FINANCIAL AGENT?

A financial agent is someone who manages, uses, or controls your funds or assets for you. An agent may be an attorney, a friend or family member, or someone else you trust to manage your finances. If you are able and willing to manage your own financial affairs while you are in a nursing home, you may not need an agent. But, if you appoint someone else as your agent, that person will have some important responsibilities.

Your agent will be responsible for using your assets and funds appropriately. In most cases, this means using your money to pay for the care you are receiving in a nursing home, or spending it on the items allowed by Medical Assistance as described in question 10, chapter 5.



Your agent may also be responsible for filing a Medical Assistance application for you. In order to file the application, the agent should have access to all information regarding your income and assets. If your agent does not supply all the information required, or does not use your assets correctly, it may delay your becoming eligible for Medical Assistance.

Beginning October 1, 1995, if your agent is willfully and grossly negligent in managing your funds, the agent may face prosecution and fines. Choose your agent carefully. Be sure the person is trustworthy and is good at managing money and paperwork.

- ✓ Who is liable for injuries, accidents, and theft?

No matter what the nursing home admissions contract says, the facility is legally liable for any injuries that its employees cause you through misconduct or negligence. In addition, the nursing home is liable if your property is damaged or stolen because of the facility's negligence.

A nursing home contract that attempts to deny these responsibilities may reflect a nursing home that will be difficult for you and your family to deal with over the years. You might want to consider another nursing home.

- ✓ Suppose the nursing home asks for permission to use my name and photo?

You have a right to privacy in the nursing home. No one can use your name or photograph without your permission. If you object, you should delete any provision in the contract that allows the facility to use your name or picture whenever it wants to.

- ✓ Can I bring my personal belongings?

If there are some possessions that you will always want to have with you, find out *before* you sign the contract whether the nursing home will allow you to place them in your room (see chapter 7).

A VALID CONTRACT

If your contract does *not* meet all the legal requirements, let the nursing home know. If the home does not correct the contract, call the Licensing and Certification Administration at (410) 764-2770 in Baltimore. A valid nursing home contract provides legal protection to you and your family.

You may want to seek legal advice before you sign the contract. See the listing of experts in chapter 5.



This is chapter 6 of "Nursing Homes: What You Need to Know," a publication of the Maryland Attorney General's Office. Revised 1998, updated May, 2000.